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FM AMEMBASSY LILONGWE  
TO RUEHC/SECSTATE WASHDC 0071  
INFO SOUTHERN AF DEVELOPMENT COMMUNITY COLLECTIVE  
RUEHLMC/MILLENNIUM CHALLENGE CORPORATION WASHINGTON DC  
RUEHLO/AMEMBASSY LONDON 0003  
RUEHNE/AMEMBASSY NEW DELHI 0001

UNCLAS LILONGWE 000118

SIPDIS

E.O. 12958: N/A

TAGS: [EAID](#) [EFIN](#) [EINV](#) [EWWT](#) [IN](#) [MI](#)

SUBJECT: MALAWI: VISIT BY INDIAN VP BRINGS PLEDGES OF ASSISTANCE,  
BUSINESS LINKS

#### Summary

[¶1.](#) During a January visit to Malawi, Indian Vice President Mohammad Hamid Ansari announced credits and grants to Malawi worth USD 55 million. Malawi's Ministry of Industry and Trade hosted an investment forum during this visit, providing Malawian businesses an opportunity to make contacts with a delegation of Indian businesses accompanying Ansari on his African tour. End summary.

#### Indian VP Delivers on Assistance

[¶2.](#) Indian Vice President Mohammad Hamid Ansari visited Malawi from January 7 - 10 as part of a three-country African tour that also included Zambia and Botswana. Ansari lauded India's good relationship with Malawi, which recently opened an embassy in New Delhi. Speaking at a state dinner held in his honor, Ansari stressed India's commitment to cooperation with Africa and noted that the Indian diaspora community constitutes an important social and economic link between Malawi and India.

[¶3.](#) Ansari announced India would expand its concessional line of credit to Malawi to USD 50 million, in support of Malawi's development goals. He also announced grants of USD 1 million for emergency relief to Karonga earthquake victims and USD 4 million for development in agriculture, health and education.

#### GOM Angles for New Investment

[¶4.](#) Ansari was accompanied by a 20-person private sector delegation that included companies representing farming and agro-processing, pharmaceuticals, tourism, energy, cigarette manufacturing, mining, handicrafts, real estate, liquor manufacturing, education and finance. Malawi's Ministry of Industry and Trade hosted an investment forum in Lilongwe to give local companies a chance to make contacts with the visiting delegation. The event drew over one hundred representatives from Malawi's business community. The GOM emphasized investment opportunities during the forum, focusing on the Greenbelt Initiative, the Shire-Zambezi Waterway project, electricity generation, and cotton and textile production as government's high priorities.

#### Comment

[¶5.](#) Malawi enjoys cordial relations with India, with the decision to open an embassy in New Delhi signifying the importance the GOM places on the relationship. It remains to be seen if Malawi will be able to attract increased Indian investment and aid. By highlighting the importance of the South Asian diaspora

community, Ansari underscored the informal economic and social ties between the two countries. He also put Malawi on notice that India would be sensitive to the treatment of Indians in Malawi, a group that has not always been fairly treated in Malawi.

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